

Exhibit Z

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1 UNITED STATES DISTRICT COURT
2 SOUTHERN DISTRICT OF NEW YORK

-----x

3 UNITED STATES OF AMERICA,

New York, N.Y.

4 v.

22 Cr. 231 (LTS)

5 SCOTT BECKER,

6 Defendant.

7 -----x

Plea

8 April 21, 2022

9 11:10 a.m.

10 Before:

11 HON. LAURA TAYLOR SWAIN,

12 District Judge

13
14 APPEARANCES

15 DAMIAN WILLIAMS

16 United States Attorney for the
Southern District of New York

17 BY: MATTHEW D. PODOLSKY

18 Assistant United States Attorney

19 COHEN & GRESSER, LLP

Attorneys for Defendant

20 BY: JASON BROWN

21 PHOEBE KING

22
23 Also Present:

24 Dominique Jackson, SDNY Pretrial Services

25 Special Agent Andreas Economou-Ellison, F.B.I.

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(Case called)

THE COURT: Good morning. Would you please introduce yourselves.

MR. PODOLSKY: Good morning, your Honor, Matthew Podolsky for the government, and I am joined at counsel table by Special Agent Andreas Economou-Ellison of the Federal Bureau of Investigation.

THE COURT: Good morning, Mr. Podolsky and Special Agent Economou-Ellison.

THE PROBATION OFFICER: Good morning, your Honor. Dominique Jackson here for Pretrial Services.

THE COURT: Good morning, Officer Jackson.

MR. BROWN: Good morning, your Honor. Jason Brown, of Cohen & Gresser, and I am here with my colleague Phoebe King.

THE COURT: Good morning, Mr. Brown; good morning, Ms. King; and good morning, Mr. Becker.

Mr. Becker, is there a member of your family or a friend here in court today?

THE DEFENDANT: No.

THE COURT: And -- yes.

MR. PODOLSKY: Your Honor, I can represent that another special agent with the F.B.I. is in attendance in the back of the Court.

THE COURT: Thank you for making that clarification.

I have received a written affirmation and application

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1 from Mr. Podolsky that seeks the sealed filing of all of the
2 documents related to this proceeding as well as the sealed
3 docketing of the case as a Doe case. Is there any objection to
4 that application?

5 MR. BROWN: No, your Honor.

6 THE COURT: Noting that there is none, I have reviewed
7 it carefully, and I find that the application is sufficient to
8 show cause for the measures requested by reason of the higher
9 values of protection of ongoing law enforcement investigations
10 and activity. The order requires the government, within 90
11 days, to update the Court as to whether and to what extent
12 there is need for the continuation of these measures.

13 So the application is granted in accordance with the
14 provisions of the proposed order which I have just signed.

15 As to the transcript, copies can be provided to
16 counsel for the parties and the Court, but to no one else,
17 except on a Court order on notice to the parties. And since
18 the entire docket is sealed, at this point we don't have to
19 worry about the technicalities of the way the transcript would
20 be reflected on the docket. We will deal with that when we get
21 to the next stage. So this transcript will be sealed.

22 We are here for a first appearance and anticipated
23 waiver of indictment, arraignment, and plea proceeding. Is
24 that consistent with everybody's understanding?

25 MR. PODOLSKY: Yes, your Honor.

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1 MR. BROWN: Yes, your Honor.

2 THE COURT: Thank you.

3 So before we proceed further, I must share some
4 important information with you all. Federal Rule of Criminal
5 Procedure 5(f) requires the Court to remind the parties orally
6 and in writing of the prosecution's obligations under the
7 Supreme Court's 1963 *Brady v. Maryland* decision and the cases
8 that have built upon that decision and of the possible
9 consequences of violating those obligations.

10 I hereby direct government to comply with its
11 obligations, under *Brady v. Maryland* and its progeny, to
12 disclose to the defense all information, whether admissible or
13 not, that is favorable to the defendant, material either to
14 guilt or to punishment, and known to the government.

15 Possible consequences for noncompliance may include
16 dismissal of individual charges or the entire case, exclusion
17 of evidence, and professional discipline or court sanctions on
18 the attorneys responsible.

19 I will enter a written order more fully describing
20 this obligation and the possible consequences of failing to
21 meet it, and I direct the government to review and comply with
22 that order.

23 Mr. Podolsky, do you understand these obligations and
24 confirm that you and your colleagues have fulfilled or will
25 fulfill them.

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1 MR. PODOLSKY: Yes, your Honor, I acknowledge the
2 obligations that you have outlined and we understand them and
3 will comply with them.

4 THE COURT: Thank you.

5 As this is Mr. Becker's first appearance, I will begin
6 by advising Mr. Becker as to certain rights, and the
7 arraignment on the information and the waiver will be addressed
8 as part of the plea allocution colloquy if Mr. Becker wishes to
9 continue with the proposed disposition proceeding after being
10 advised of his rights.

11 Mr. Becker, would you please stand.

12 Please state your full name.

13 THE DEFENDANT: Scott Vincent Becker.

14 THE COURT: And how old are you?

15 THE DEFENDANT: I am 38.

16 THE COURT: I will now explain certain rights that you
17 have under the Constitution of the United States.

18 You have the right to remain silent. You need not
19 make any statement. Even if you have already made statements
20 to the authorities, you need not make any additional
21 statements. Any statements that you do make can be used
22 against you.

23 Do you understand these rights?

24 THE DEFENDANT: Yes, I do.

25 THE COURT: You have the right to be released, either

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1 conditionally or unconditionally, pending trial unless I find
2 that there are no conditions that would reasonably assure your
3 presence at future court hearings and the safety of the
4 community.

5 If the government were to ask me to detain you pending
6 trial, you are entitled to a prompt hearing on whether such
7 conditions exist.

8 Do you understand that?

9 THE DEFENDANT: Yes, I do.

10 THE COURT: Are you a citizen of the United States?

11 THE DEFENDANT: Yes.

12 THE COURT: You have the right to be represented by an
13 attorney today and at all future proceedings in this case, and
14 if you are unable to afford an attorney, I will appoint an
15 attorney to represent you.

16 Do you understand these rights?

17 THE DEFENDANT: Yes, I do.

18 THE COURT: Do you wish to have and are you able to
19 afford and obtain counsel on your own?

20 THE DEFENDANT: I -- yes.

21 THE COURT: Have you retained Mr. Brown and his firm
22 to represent you in this case?

23 THE DEFENDANT: Yes.

24 THE COURT: Do you understand that you are responsible
25 for paying the fees and expenses associated with Mr. Brown's

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1 defense of you in this case?

2 THE DEFENDANT: Yes.

3 THE COURT: And do you wish the Court to appoint you
4 counsel instead?

5 THE DEFENDANT: No, thank you.

6 THE COURT: Thank you. You can be seated, Mr. Becker.

7 I'm informed that Mr. Becker has an application to
8 waive indictment and enter a plea of guilty to a three-count
9 sealed information that is captioned United States v. Scott
10 Becker. Is that correct, Mr. Brown?

11 MR. BROWN: Yes, it is, your Honor.

12 THE COURT: And is the plea pursuant to an agreement
13 with a printed date of April 15, 2022 and an execution date of
14 April 21, 2022 that has been marked as Government Exhibit 1?

15 MR. BROWN: Yes, your Honor.

16 THE COURT: And Mr. Brown, do you have that at defense
17 table?

18 MR. BROWN: I do.

19 THE COURT: Do you also have at defense table an
20 executed advice of rights form that has been marked as Court
21 Exhibit 1?

22 MR. BROWN: Yes, we do, your Honor.

23 THE COURT: Thank you. So if you will just hold those
24 at defense table, I will have questions about them later for
25 Mr. Becker.

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1 So Mr. Podolsky, would you please make a statement
2 regarding the government's victim identification and
3 notification activities, if any, in connection with this
4 proceeding.

5 MR. PODOLSKY: Yes, your Honor. We have taken
6 reasonable efforts to notify victims. In light of the
7 particularities of this proceeding and ongoing law enforcement
8 efforts, certain of those notifications will take place after
9 this proceeding, but we have considered our obligations in that
10 respect and complied with them.

11 THE COURT: Thank you.

12 Mr. Becker, before I accept your waiver of indictment
13 and your guilty plea, there are a number of questions that I
14 must ask while you are under oath to assure that your waiver
15 and plea are valid. I may at times cover a point more than
16 once and I may cover matters that were also addressed in the
17 advice of rights form that you have seen. If I do, that will
18 be because it is very important that you understand what is
19 happening here today. If you don't understand something that I
20 ask you, please say so, and I will reword the question or you
21 may speak with your attorney.

22 Do you understand that?

23 THE DEFENDANT: Yes, I do.

24 THE COURT: Please stand now to take the oath.

25 (Defendant sworn)

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1 THE COURT: Would you please state your full name
2 again for the record.

3 THE DEFENDANT: Scott Vincent Becker.

4 THE COURT: Mr. Becker, do you understand that you
5 have solemnly promised to tell the truth and that if you answer
6 any of my questions falsely, your false or untrue answers may
7 later be used against you in another prosecution for perjury or
8 making a false statement?

9 THE DEFENDANT: Yes, I do.

10 THE COURT: Thank you. You can be seated.

11 Mr. Brown, would you mind just pulling your mask up so
12 that it covers your nose. Thanks so much.

13 So Mr. Becker, again, how old are you?

14 THE DEFENDANT: 38.

15 THE COURT: And how far did you go in school?

16 THE DEFENDANT: I completed my bachelor's degree.

17 THE COURT: In what field?

18 THE DEFENDANT: In the -- a double major in accounting
19 and finance.

20 THE COURT: Are you able to read, speak, and
21 understand the English language well?

22 THE DEFENDANT: Yes.

23 THE COURT: Are you an American citizen?

24 THE DEFENDANT: Yes.

25 THE COURT: And how did you become a citizen of the

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1 United States?

2 THE DEFENDANT: I was born here.

3 THE COURT: Are you now or have you recently been
4 under the care of a doctor or a psychiatrist?

5 THE DEFENDANT: No, ma'am.

6 THE COURT: Have you ever been treated or hospitalized
7 for any mental illness or for any type of addiction, including
8 drug or alcohol addiction?

9 THE DEFENDANT: No.

10 THE COURT: Have you ever been addicted to any drugs
11 or alcohol.

12 THE DEFENDANT: No.

13 THE COURT: In the past 24 hours, have you taken any
14 drugs, medicine, or pills, or had any alcohol to drink?

15 THE DEFENDANT: No.

16 THE COURT: Is your mind clear today?

17 THE DEFENDANT: Yes.

18 THE COURT: Are you feeling well physically today?

19 THE DEFENDANT: Yes.

20 THE COURT: Are you comfortable making important
21 decisions for yourself today?

22 THE DEFENDANT: Yes.

23 THE COURT: Are you represented by a lawyer here
24 today?

25 THE DEFENDANT: Yes, I am.

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1 THE COURT: And what is your lawyer's name.

2 THE DEFENDANT: Jason Brown and Phoebe King.

3 THE COURT: Thank you.

4 Mr. Brown, do you have any doubt as to Mr. Becker's
5 competence to waive indictment and plead guilty at this time?

6 MR. BROWN: No, I do not.

7 THE COURT: Ms. King, do you have any such doubts?

8 MS. KING: I do not.

9 THE COURT: Thank you.

10 Mr. Podolsky, do you have any doubt as to Mr. Brown's
11 competence to waive indictment and plead guilty.

12 MR. PODOLSKY: No, I have no doubt, your Honor.

13 THE COURT: Thank you.

14 Mr. Becker, your attorney has informed me that you
15 wish to waive indictment and plead guilty to a three-count
16 information. Do you wish to waive indictment and plead guilty?

17 THE DEFENDANT: Yes, I do.

18 THE COURT: Have you discussed your case fully with
19 your attorneys, including the charges to which you intend to
20 plead guilty and any defenses that you may have to those
21 charges?

22 THE DEFENDANT: Yes.

23 THE COURT: Have you and your attorneys discussed the
24 consequences of pleading guilty?

25 THE DEFENDANT: Yes.

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1 THE COURT: Are you satisfied with your attorneys and
2 their representation of you?

3 THE DEFENDANT: Yes.

4 THE COURT: On the basis of Mr. Becker's responses to
5 my questions and my observations of his demeanor, I find that
6 he is fully competent to waive indictment and enter an informed
7 plea at this time.

8 Before I accept your waiver and plea, sir, I'm going
9 to ask you some more questions. These questions are intended
10 to satisfy the court that you want to plead guilty because you
11 are in fact guilty and that you fully understand your rights
12 and the consequences of your plea. I will now describe to you
13 certain rights that you have under the Constitution and laws of
14 the United States. You will be giving up these rights if you
15 plead guilty.

16 Please listen carefully. If you don't understand
17 something that I am saying or describing, stop me and I or your
18 attorney will explain it more fully.

19 Under the Constitution and laws of the United States,
20 you have the right to a speedy and public trial by a jury on
21 the charges against you that are in the information.

22 Do you understand that?

23 THE DEFENDANT: Yes.

24 THE COURT: Do you understand that you have the right
25 to plead not guilty and to continue to plead not guilty to each

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1 of the charges?

2 THE DEFENDANT: Yes.

3 THE COURT: If there were a trial, you would be
4 presumed innocent and the government would be required to prove
5 you guilty by competent evidence and beyond a reasonable doubt.
6 You would not have to prove that you were innocent at a trial.

7 Do you understand that?

8 THE DEFENDANT: Yes.

9 THE COURT: If there were a trial, a jury composed of
10 12 people selected from this district would have to agree
11 unanimously in order to find you guilty.

12 Do you understand that?

13 THE DEFENDANT: Yes.

14 THE COURT: If there were a trial, and at all stages
15 leading up to it, you would have the right to be represented by
16 an attorney, and if you could not afford one, an attorney would
17 be provided to you free of cost.

18 Do you understand that?

19 THE DEFENDANT: Yes.

20 THE COURT: If there were a trial, you would have the
21 right to see and hear all of the witnesses against you and your
22 attorney could cross-examine them. Also, you would have the
23 right to have your attorney object to the government's evidence
24 and offer evidence on your behalf if you so desired. In
25 addition, you would have the right to have witnesses required

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1 to come to court to testify in your defense and you would have
2 the right to testify yourself, but you would not be required to
3 testify.

4 Do you understand all of that?

5 THE DEFENDANT: Yes, I do.

6 THE COURT: Do you understand that if there were a
7 trial and you decided not to testify, no adverse inference
8 could be drawn against you based on your decision not to
9 testify?

10 THE DEFENDANT: Yes.

11 THE COURT: Do you understand that if you were
12 convicted at a trial, you would have the right to appeal that
13 verdict?

14 THE DEFENDANT: Yes.

15 THE COURT: Do you understand each and every one of
16 the rights that I have asked you about?

17 THE DEFENDANT: Yes, I do. Thank you.

18 THE COURT: Do you have any questions about any of
19 these rights?

20 THE DEFENDANT: I do not.

21 THE COURT: Do you understand that by pleading guilty
22 today, you will be giving up each and every one of these
23 rights?

24 THE DEFENDANT: Yes, I do.

25 THE COURT: Do you also understand that you will be

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1 giving up any possible claim that your constitutional rights
2 may have been violated?

3 THE DEFENDANT: Yes.

4 THE COURT: And do you understand that if you plead
5 guilty today, you will not have a trial?

6 THE DEFENDANT: Yes.

7 THE COURT: Do you understand that by pleading guilty,
8 you will also have to give up your right not to incriminate
9 yourself because I will ask you questions about what you did in
10 order to satisfy myself that you are guilty as charged and you
11 will have to admit and acknowledge your guilt?

12 THE DEFENDANT: Yes.

13 THE COURT: Do you understand that you can change your
14 mind right now and refuse to plead guilty? You don't have to
15 enter this plea if you don't want to for any reason.

16 Do you understand that fully?

17 THE DEFENDANT: Yes. Thank you.

18 THE COURT: Do you still want to plead guilty?

19 THE DEFENDANT: Yes, I do.

20 THE COURT: The document that contains the charges to
21 which you have indicated you wish to plead guilty is called an
22 information. It has been issued by the United States Attorney.
23 You have a constitutional right to be charged by an indictment
24 rather than an information. An indictment would be a charge
25 issued from a grand jury.

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1 Do you understand that?

2 THE DEFENDANT: Yes.

3 THE COURT: Mr. Brown, would you please show

4 Mr. Becker the waiver of indictment form.

5 MR. BROWN: Yes, your Honor.

6 THE COURT: Mr. Becker, have you signed this waiver of
7 indictment.

8 THE DEFENDANT: Yes.

9 THE COURT: Did you read it before you signed it?

10 THE DEFENDANT: Yes, I did.

11 THE COURT: Did you discuss it with your attorneys
12 before you signed it.

13 THE DEFENDANT: Yes, I did.

14 THE COURT: Did you understand it before you signed
15 it?

16 THE DEFENDANT: Yes.

17 THE COURT: And do you understand that if you do not
18 waive indictment, if the government wants to prosecute you on
19 the particular charges that are in the information, it would
20 have to present those charges to a grand jury which might or
21 might not indict you on them?

22 THE DEFENDANT: Yes.

23 THE COURT: Do you understand that you are under no
24 obligation to waive indictment?

25 THE DEFENDANT: Yes.

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1 THE COURT: And do you understand that by waiving
2 indictment you are giving up your right to have these charges
3 presented to a grand jury?

4 THE DEFENDANT: Yes.

5 THE COURT: Do you understand what a grand jury is?

6 THE DEFENDANT: I do.

7 THE COURT: Has anyone given you anything or
8 threatened you or made any promises to you to get you to waive
9 indictment?

10 THE DEFENDANT: No.

11 THE COURT: Have you seen a copy of the information,
12 that is, the document that says United States v. Scott Becker
13 at the top and sealed information that details the charges
14 against you?

15 THE DEFENDANT: Yes.

16 THE COURT: Have you read it?

17 THE DEFENDANT: Yes, I have.

18 THE COURT: Have you discussed it with your attorney?

19 THE DEFENDANT: Yes.

20 THE COURT: Do you understand the charges against you
21 that are detailed in the information?

22 THE DEFENDANT: I do.

23 THE COURT: If you want me to, I will read the
24 information out loud now here in court in full. Would you like
25 me to read it out loud to you in full?

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1 THE DEFENDANT: No, thank you.

2 THE COURT: I find that Mr. Becker's waiver of
3 indictment is knowing and voluntary. I accept it and it is so
4 ordered.

5 So Mr. Becker, I am going to ask you some summary
6 questions regarding the charges.

7 Do you understand that Count One of the information
8 charges you with violating Title 18 of the United States Code
9 Section 1962(d) by willfully and knowingly being part of a
10 conspiracy, from at least in or about 2020 up to and including
11 in or about March 2021, to violate the racketeering laws of the
12 United States by conducting and participating, directly and
13 indirectly, in the conduct of the affairs of what the
14 information defines as the Archegos enterprise through a
15 pattern of activity consisting of multiple offenses involving
16 fraud in the sale of securities in violation of Title 15 of the
17 United States Code Sections 78j(b) and 78ff and Title 17 of the
18 Code of Federal Regulations Section 240.10b-5, as well as
19 offenses involving fraud in the sale of securities in violation
20 of Title 18 of the United States Code, Section 1348 and acts
21 indictable under Title 18, Section 1343 relating to wire fraud;
22 and that Count One further charges that it was part of the
23 conspiracy that you agreed that a conspirator would commit at
24 least two acts of racketeering activity in the conduct of the
25 affairs of the Archegos enterprise.

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1 THE DEFENDANT: Yes.

2 THE COURT: And have I pronounced "arch egos"
3 correctly?

4 THE DEFENDANT: No, ma'am. It's "are kay goes."

5 THE COURT: Oh, okay. There were a number of
6 possibilities, so thank you. Archegos.

7 Do you understand you are charged in Count Two with
8 violating Title 17 C.F.R. 240.10b-5, Title 15 of the United
9 States Code Sections 78j(b) and 78ff and Title 18, Section 2 of
10 the United States Code by engaging in and aiding and abetting a
11 scheme to defraud Archegos's counterparties through false and
12 misleading statements regarding aspects of Archegos's business
13 portfolio and assets from at least in or about 2020 up to and
14 including at least in or about March 2021.

15 THE DEFENDANT: Yes.

16 THE COURT: And do you understand that Count Three
17 charges you with violating Title 18, Sections 1343 and 2 by
18 engaging in and aiding and abetting a scheme to defraud
19 Archegos's counterparties of their rights to control their
20 assets and thereby exposing Archegos's counterparties to risk
21 of economic harm by false and misleading statements regarding
22 aspects of Archegos's business portfolio and assets, including
23 statements conveyed through interstate wires from in or about
24 2020 up to and including in or about March 2021?

25 THE DEFENDANT: Yes.

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1 THE COURT: Do you understand that the government
2 would have to prove each and every part or element of each of
3 these charges beyond a reasonable doubt at a trial if you did
4 not plead guilty?

5 THE DEFENDANT: Yes, I do.

6 THE COURT: Mr. Podolsky, would you please explain
7 what the government would have to prove if we were to go to
8 trial on the three counts in this information.

9 MR. PODOLSKY: Yes, your Honor. As to Count One, the
10 government would have to prove beyond a reasonable doubt:

11 First, that the enterprise alleged in the indictment
12 existed;

13 Second, that the enterprise affected interstate or
14 foreign commerce;

15 Third, that the defendant was associated with or
16 employed by the enterprise; and

17 Fourth, that the defendant knowingly and willfully
18 conspired with at least one other person to participate in the
19 conduct of the affairs of the enterprise through a pattern of
20 racketeering activity. I note that the racketeering activities
21 are alleged in the information at paragraph 2 which the Court
22 has previously recited.

23 As to Count Two, securities fraud, the government
24 would have to prove beyond a reasonable doubt:

25 First, that in connection with the purchase or sale of

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1 a security, the defendant did any one or more of the following:
2 (1) employed a device, scheme, or artifice to defraud; or (2)
3 made an untrue statement of a material fact or omitted to state
4 a material fact which made what was said under the
5 circumstances misleading; or (3) engaged in an act, practice,
6 or course of business that operated or would operate as a fraud
7 or deceit upon a purchaser or seller;

8 Second, that the defendant acted willfully, knowingly,
9 and with the intent to defraud; and

10 Third, that the defendant knowingly used or caused to
11 be used any means or instruments of transportation or
12 communication in interstate commerce or the use of the mails in
13 furtherance of the fraudulent conduct.

14 As to Count Three, wire fraud, the government would
15 have to prove beyond a reasonable doubt:

16 First, that there was a scheme or artifice to defraud
17 or to obtain money or property by materially false and
18 fraudulent pretenses, representations, or promises;

19 Second, that the defendant knowingly and willfully
20 participated in a scheme or artifice to defraud with knowledge
21 of its fraudulent nature and with specific intent to defraud;
22 and

23 Third, that in the execution of the scheme, the
24 defendant used or caused to be used interstate or foreign
25 wires, such as telephone calls, e-mails, or the transmission of

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1 money through the use of wire transfers.

2 Finally, the government would have to prove venue in
3 the Southern District of New York by a preponderance of the
4 evidence as to each count.

5 THE COURT: Thank you, Mr. Podolsky.

6 Mr. Becker, do you understand what the government
7 would have to prove if you did not plead guilty?

8 THE DEFENDANT: Yes, I do.

9 THE COURT: Do you understand that the maximum
10 possible penalty for the crime charged in Count One is 20 years
11 of imprisonment, plus a fine of the greatest of \$250,000, twice
12 the gain resulting from the offense, or twice the loss to other
13 people resulting from the offense, plus a \$100 special
14 assessment, plus three years of supervised release after your
15 term of imprisonment, plus full restitution to all people
16 injured by your criminal conduct?

17 THE DEFENDANT: Yes.

18 THE COURT: Do you understand that the maximum
19 possible penalty for the crime charged in Count Two is 20 years
20 of imprisonment, plus a fine of the greatest of \$5 million,
21 twice the gain resulting from the offense, or twice the loss to
22 other people resulting from the offense, plus a \$100 special
23 assessment, plus three years of supervised release after your
24 term of imprisonment, plus full restitution to all persons
25 injured by your criminal conduct?

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1 THE DEFENDANT: Yes.

2 THE COURT: Do you understand that the maximum
3 possible penalty for the crime charged in Count Three is 20
4 years of imprisonment, plus a fine of the greatest of \$250,000,
5 twice the gain resulting from the offense, or twice the loss to
6 other people resulting from the offense, plus a \$100 special
7 assessment, plus three years of supervised release after your
8 term of imprisonment, plus full restitution to all persons
9 injured by your criminal conduct?

10 THE DEFENDANT: Yes.

11 THE COURT: Do you understand that the maximum
12 possible combined penalty for the three crimes to which you
13 propose to plead guilty is 60 years of imprisonment, plus a
14 fine of \$5,500,000 or, if greater, the sums of the relevant
15 gains, losses, and statutory amounts resulting from your
16 offenses, plus full restitution to all persons injured by your
17 criminal conduct, plus a total of \$300 as a mandatory special
18 assessment, plus supervised release for three years after your
19 term of imprisonment?

20 THE DEFENDANT: Yes.

21 THE COURT: I will now give you some information and
22 verify your understanding of the supervised release aspect of
23 the potential penalty.

24 Supervised release means that you will be subject to
25 monitoring when you are released from prison. Terms and

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1 conditions will be imposed. If you violate any of the set
2 terms and conditions, you can be sent back to prison without a
3 jury trial. If you are on supervised release and do not comply
4 with any of the set terms or conditions, you can be sent back
5 to prison for up to two years. You will be given no credit for
6 the time that you served in prison as a result of your sentence
7 and no credit for any time spent on post-release supervision.
8 So, for example, if you received a prison term and then a
9 three-year term of supervised release and after you left prison
10 you lived up to the terms of supervised release for almost
11 three years but then you violated some term of the supervised
12 release, you could be sent to prison for two whole years.

13 Do you understand that?

14 THE DEFENDANT: Yes, I do.

15 THE COURT: Do you also understand that if I accept
16 your guilty plea and adjudge you guilty, that adjudication may
17 deprive you of valuable civil rights, such as, the right to
18 vote, the right to hold public office, the right to serve on a
19 jury, and the right to possess any kind of firearm?

20 THE DEFENDANT: Yes, I do.

21 THE COURT: Do you understand that there are
22 sentencing guidelines that the Court must consider in
23 determining your sentence?

24 THE DEFENDANT: Yes.

25 THE COURT: Have you spoken to your attorney about the

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1 sentencing guidelines?

2 THE DEFENDANT: Yes, I have.

3 THE COURT: Do you understand that, in determining
4 your sentence, the Court must calculate the applicable
5 sentencing guidelines range and consider that range, possible
6 departures under the sentencing guidelines, and other
7 sentencing factors under Title 18 Section 3553(a)?

8 THE DEFENDANT: Yes, I do.

9 THE COURT: Do you understand that if your attorney or
10 anyone else has attempted to estimate or predict what your
11 sentence will be, their estimate or prediction could be wrong?

12 THE DEFENDANT: Yes, I do.

13 THE COURT: Do you also fully understand that even if
14 your sentence is different from what your attorney or anyone
15 else told you it might be, or if it is different from what you
16 expect, you will still be bound to your guilty plea and you
17 will not be allowed to withdraw your guilty plea?

18 THE DEFENDANT: Yes, I do.

19 THE COURT: Do you understand that the sentence to be
20 imposed will be determined solely by the Court and that I can
21 only determine the sentence to be imposed after the probation
22 office prepares a presentence report?

23 THE DEFENDANT: Yes.

24 THE COURT: Do you understand that the Court has
25 discretion, while taking into account the specific provisions

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1 and policy statements in the guidelines, to sentence you to any
2 period of imprisonment between time served at the low end and
3 the 60-year combined statutory maximums at the high end?

4 THE DEFENDANT: Yes.

5 THE COURT: Are you now serving any state or federal
6 sentence or are you being prosecuted for any other crime?

7 THE DEFENDANT: No.

8 THE COURT: Do you understand that, in connection with
9 Count One, the information also includes a forfeiture
10 allegation in which the government asserts that you are
11 required to forfeit to the United States any interest acquired
12 or maintained in violation of Title 18, Section 1963, any
13 interest in security of, claim against, or property or
14 contractual right of any kind affording a source of influence
15 over any enterprise you and your coconspirators established,
16 operated, controlled, conducted, or participated in the conduct
17 of in violation of Title 18, Section 1962, and any property
18 constituting or derived from any proceeds obtained, directly or
19 indirectly, from the racketeering activity charged in Count
20 One?

21 THE DEFENDANT: Yes.

22 THE COURT: Do you also understand that, in connection
23 with Counts Two and Three, the information includes an
24 additional forfeiture allegation in which the government
25 asserts that you are required to forfeit to the United States

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1 any and all property, real and personal, that constitutes or is
2 derived from proceeds traceable to the commission of the
3 offenses charged in those counts, including, but not limited
4 to, a sum of money in United States currency representing the
5 amount of proceeds traceable to the commission of those
6 offenses?

7 THE DEFENDANT: Yes.

8 THE COURT: Would you please look at your agreement,
9 which is marked as Government Exhibit 1. Thank you, Mr. Brown.

10 MR. BROWN: Apologize for the noise.

11 THE COURT: Mr. Becker, have you signed this
12 agreement?

13 THE DEFENDANT: Yes, I have.

14 THE COURT: Did you read it before you signed it?

15 THE DEFENDANT: Yes, I did.

16 THE COURT: Did you discuss it with your attorneys
17 before you signed it?

18 THE DEFENDANT: Yes, at length.

19 THE COURT: And did you fully understand the agreement
20 before you signed it?

21 THE DEFENDANT: Yes.

22 THE COURT: Does the agreement reflect accurately your
23 complete and total understanding of the entire agreement
24 between the government, your attorney, and you?

25 THE DEFENDANT: Yes.

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1 THE COURT: Is everything that you understand about
2 your plea, cooperation, and sentence covered in the agreement?

3 THE DEFENDANT: Yes, it is.

4 THE COURT: Has anything been left out?

5 THE DEFENDANT: No.

6 THE COURT: Has anyone made any promises to you other
7 than what is set forth in that agreement or threatened you or
8 forced you or given you anything to get you to plead guilty or
9 enter into the agreement?

10 THE DEFENDANT: No.

11 THE COURT: Do you understand that even if the
12 government does not oppose or take a position on what your
13 attorney will ask as a sentence, I am free to impose whatever
14 sentence I believe is appropriate under the circumstances and
15 the applicable law and you will have no right to withdraw your
16 plea?

17 THE DEFENDANT: Yes, I do.

18 THE COURT: Do you understand that a motion by the
19 government would be required to enable me to sentence you below
20 the mandatory -- actually, I'm sorry, to enable me to sentence
21 you on the basis of your assistance and that it is up to the
22 government, not up to me, to decide whether your cooperation
23 has been substantial enough for the government to move for such
24 a sentence and that it is up to me to decide the appropriate
25 sentence?

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1 THE DEFENDANT: Yes, I do.

2 THE COURT: Do you understand that the agreement
3 provides that you must cooperate fully with the office of the
4 United States Attorney, the Federal Bureau of Investigation,
5 and any other law enforcement agency designated by the United
6 States Attorney?

7 THE DEFENDANT: Yes.

8 THE COURT: Do you understand that the agreement does
9 not bind any federal, state, or local prosecuting authority
10 other than the United States Attorney?

11 THE DEFENDANT: Yes.

12 THE COURT: Do you understand that the agreement
13 provides that if the United States Attorney determines that you
14 have provided substantial assistance in an investigation or
15 prosecution and if you have fully complied with the
16 understandings specified in the agreement, the United States
17 Attorney will file a motion pursuant to Section 5K1.1 of the
18 sentencing guidelines requesting that the Court sentence you in
19 light of the factors set forth in section 5K1.1(a)(1) through
20 (5)?

21 THE DEFENDANT: Yes.

22 THE COURT: Do you understand that the factors that
23 the Court may consider under Section 5K1.1 include the
24 significance and usefulness of your assistance, taking the
25 government's evaluation into account; the truthfulness,

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1 completeness, and reliability of any information or testimony
2 that you provided; the nature and extent of your assistance;
3 any injury suffered or any danger of risk of injury to you or
4 your family as a result of your assistance; and the timeliness
5 of your assistance?

6 THE DEFENDANT: Yes.

7 THE COURT: Do you understand that even if the United
8 States Attorney files such a motion, the sentence to be imposed
9 on you remains within the sole discretion of the Court?

10 THE DEFENDANT: Yes.

11 THE COURT: Do you understand that you will not be
12 entitled to withdraw your plea even if the Court denies the
13 motion?

14 THE DEFENDANT: Yes.

15 THE COURT: Do you understand that if the United
16 States Attorney determines that you have not provided
17 substantial assistance in an investigation or prosecution or
18 that you have violated any provision of the agreement, the
19 United States Attorney is not obligated to file a motion under
20 Section 5K1.1 of the guidelines?

21 THE DEFENDANT: Yes.

22 THE COURT: Do you understand that you will not be
23 entitled to withdraw your guilty plea even if the United States
24 Attorney does not file a motion?

25 THE DEFENDANT: Yes.

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1 THE COURT: Do you understand that on page 2 the
2 agreement provides that if you commit any further crimes or it
3 is determined that you gave false, incomplete, or misleading
4 testimony or information or otherwise violated any provision of
5 the agreement, you shall be subject to prosecution for any
6 federal violations of which the United States Attorney has
7 knowledge, including perjury or obstruction of justice?

8 THE DEFENDANT: Yes.

9 THE COURT: Do you understand that on page 4 the
10 agreement provides that if you commit any further crimes or it
11 is determined that you gave false, incomplete, or misleading
12 testimony or information, or otherwise violated any provision
13 of the agreement, all statements that you have made to the
14 United States Attorney or other designated law enforcement
15 agents and any testimony that you have given before a grand
16 jury or any other tribunal may be admissible in evidence in any
17 criminal proceedings against you?

18 THE DEFENDANT: Yes.

19 THE COURT: Do you understand that your agreement also
20 provides that you may not assert a claim that such statements
21 should be suppressed from evidence and that you have waived
22 your right to claim that such statements should be suppressed
23 from evidence?

24 THE DEFENDANT: Yes.

25 THE COURT: Do you understand that, again, on page 2,

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1 the agreement includes your agreement with respect to Count One
2 of the information to forfeit to the United States any interest
3 acquired or maintained as a result of the racketeering activity
4 charged in Count One, any interest in, security of, claim
5 against, or property or contractual right of any kind affording
6 a source of influence over any enterprise which you have
7 established, controlled, conducted, or participated in the
8 conduct of in violation of Title 18 of the United States Code
9 Section 1962 as charged in Count One and any property
10 constituting or derived from any proceeds obtained, directly or
11 indirectly, from the racketeering activity charged in
12 Count One?

13 THE DEFENDANT: Yes.

14 THE COURT: Do you understand that, on page 2, the
15 agreement also includes your agreement with respect to Counts
16 Two and Three of the information to forfeit to the United
17 States any and all property, real or personal, that constitutes
18 or is derived from the commission of the offenses alleged in
19 Counts Two and Three?

20 THE DEFENDANT: Yes.

21 THE COURT: Do you understand that any amount that you
22 do forfeit will not be credited toward any fines, restitution,
23 cost of imprisonment, or other additional penalty that the
24 Court may impose on you?

25 THE DEFENDANT: Yes.

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1 THE COURT: Do you understand that on page 4 the
2 agreement provides that the government will not object to your
3 release upon the bail conditions to be set, but that the
4 government reserves its right to move for revocation or
5 modification of those conditions without notice to you if the
6 government determines that you have violated any provision of
7 your agreement or any release condition?

8 THE DEFENDANT: Yes.

9 THE COURT: And do you understand that the government
10 can also move for revocation or modification if it determines
11 that revocation or modification is otherwise appropriate?

12 THE DEFENDANT: Yes.

13 THE COURT: Do you still want to plead guilty pursuant
14 to this agreement?

15 THE DEFENDANT: Yes, I do.

16 THE COURT: Mr. Brown, do you know of any valid reason
17 why Mr. Becker would prevail at trial?

18 MR. BROWN: No, your Honor.

19 THE COURT: Do you know any reason why he should not
20 be permitted to plead guilty?

21 MR. BROWN: No, your Honor.

22 THE COURT: Mr. Becker, would you and your attorneys
23 please stand and tell me what you did that makes you guilty of
24 the crimes to which you are entering a plea of guilty.

25 THE DEFENDANT: From approximately 2007 until the

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1 spring of 2021, I was a member of the operations team at
2 Archegos Capital Management, a multi-billion dollar family
3 office whose headquarters was in Manhattan. In order to invest
4 on a scale necessary to implement the trading strategy of the
5 family office's founder and principal, Archegos needed
6 financial institutions both as prime brokers for publicly
7 traded securities and U.S. and foreign exchanges and as swap
8 counterparties for Archegos's main fund, Archegos Fund, LP. I
9 understood that these financial institutions would not open
10 relationships with Archegos, extend Archegos trading capacity,
11 or offer Archegos favorable margin rates without certain
12 representations to them about the overall holdings within the
13 Archegos portfolio.

14 In order to induce these institutions to, among other
15 things, extend Archegos the credit necessary to purchase
16 equities or engage in swap transactions, on several occasions,
17 in coordination with others at Archegos, I made false or
18 misleading statements to the financial institutions about
19 Archegos's portfolio. For example, in 2021, I falsely
20 represented to certain financial institutions that Archegos's
21 largest position was approximately 35 percent of its net asset
22 value when, in fact, I knew the largest position had grown to
23 significantly higher -- to a significantly higher percentage
24 than that. At around the same time, I also falsely represented
25 to one of its counterparties that Archegos's portfolio with

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1 that specific counterparty was materially different than
2 Archegos's portfolio overall.

3 I knew these statements to be untrue. I made these
4 and other similar misstatements to induce the financial
5 institutions to continue extending Archegos trading capacity as
6 well as to dissuade these financial institutions from
7 liquidating positions held in Archegos's account or to take
8 other action that might hurt Archegos's overall portfolio.
9 Certain of these telephone calls took place from my home in
10 Orange County, New York. I understand that these false or
11 misleading statements were made to further Archegos's trading
12 strategies.

13 THE COURT: And when you did these things, did you
14 know that what you were doing was wrong and illegal?

15 THE DEFENDANT: Yes.

16 THE COURT: Mr. Podolsky -- actually, before I ask you
17 that, I notice, Mr. Becker, that you were reading from some
18 notes or at least referring to them as you were making your
19 allocution. How did those notes come to be prepared?

20 THE DEFENDANT: In consultation with my legal counsel.

21 THE COURT: And is all of the information that you
22 gave me truthful regarding your own activities and knowledge?

23 THE DEFENDANT: Yes.

24 THE COURT: Thank you.

25 Mr. Podolsky, are there any further factual matters

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1 that the government believes should be addressed in the
2 allocution?

3 MR. PODOLSKY: No, your Honor. I believe that
4 provides a sufficient factual basis for each of the elements of
5 the charged offenses.

6 THE COURT: Thank you. Would you remain standing,
7 please, and summarize the government's evidence against
8 Mr. Becker.

9 MR. PODOLSKY: Yes, your Honor.

10 If we were to proceed to trial in this case, evidence
11 by the government would include, among other things, testimony
12 by law enforcement officials and witnesses, including witnesses
13 of the victim financial institutions, extensive e-mail,
14 Bloomberg message, and text message records, notes and
15 recordings of phone calls, and corporate bank and other
16 financial and trading records.

17 THE COURT: And it is the government's belief and
18 representation that that evidence would be sufficient to prove
19 guilt beyond a reasonable doubt?

20 MR. PODOLSKY: It would, your Honor.

21 THE COURT: Mr. Becker, how do you now plead to the
22 charge in Count One of the information? Guilty or not guilty.

23 THE DEFENDANT: Guilty.

24 THE COURT: How do you plead to the charge in Count
25 Two? Guilty or not guilty.

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1 THE DEFENDANT: Guilty.

2 THE COURT: How do you plead to the charge in Count
3 Three? Guilty or not guilty.

4 THE DEFENDANT: Guilty.

5 THE COURT: Are you pleading guilty to each of these
6 charges because you are in fact guilty of the criminal activity
7 charged in each count?

8 THE DEFENDANT: Yes.

9 THE COURT: Are you pleading guilty voluntarily and of
10 your own free will?

11 THE DEFENDANT: Yes.

12 THE COURT: Would you please look at Court Exhibit 1,
13 which is the advice of rights form. Mr. Becker, have you
14 signed this form?

15 THE DEFENDANT: Yes, I have.

16 THE COURT: Did you read it before you signed it?

17 THE DEFENDANT: Yes, I did.

18 THE COURT: Did you discuss it with your attorneys
19 before you signed it?

20 THE DEFENDANT: Yes.

21 THE COURT: And did you understand it before you
22 signed it?

23 THE DEFENDANT: Yes, I did.

24 THE COURT: Mr. Brown, did you also review and sign
25 Court Exhibit 1?

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1 MR. BROWN: Yes, I did, your Honor.

2 THE COURT: Mr. Brown, are there any other questions
3 you believe I should ask Mr. Becker in connection with the
4 plea?

5 MR. BROWN: No, your Honor.

6 THE COURT: Mr. Podolsky, are there any other
7 questions you believe I should ask in connection with the plea?

8 MR. PODOLSKY: No, your Honor.

9 THE COURT: Mr. Becker, you have acknowledged that you
10 are guilty as charged in the information. I find that you know
11 your rights and that you are waiving them voluntarily. Because
12 your plea is entered knowingly and voluntarily and is supported
13 by an independent basis in fact containing each of the
14 essential elements of the offenses, I accept your guilty plea
15 and I adjudge you guilty of the offenses charged in Counts One,
16 Two, and Three of the information captioned United States of
17 America v. Scott Becker.

18 Thank you. You can be seated.

19 Mr. Brown, do you wish to be present for any interview
20 of Mr. Becker in connection with the preparation of the
21 presentence report?

22 MR. BROWN: Yes, I do, your Honor.

23 THE COURT: I will make that direction which will be
24 conveyed to probation when we order the report.

25 What is the parties' desire with respect to a

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1 sentencing date or a control date and with respect to the
2 preparation of a report?

3 MR. PODOLSKY: Your Honor, given the current status of
4 investigations in which Mr. Becker is actively cooperating, we
5 would propose to hold off on the ordering of a report and to
6 set a control date rather than a sentencing date so that
7 Mr. Becker can continue his cooperation. We would propose a
8 control date of either three or six months, as the Court
9 prefers.

10 THE COURT: Well, I am willing to make it six months
11 out if it is your representation that that is a period of time
12 that may well be necessary to get to a point where ordering a
13 presentence report would be appropriate.

14 MR. PODOLSKY: I think it is, your Honor. And
15 certainly, if it becomes appropriate sooner, we won't hesitate
16 to contact the Court in advance of the six months and suggest
17 the ordering of a presentence report.

18 THE COURT: Thank you.

19 So, Ms. Ng, may we have a control date about six
20 months out from now.

21 THE DEPUTY CLERK: Friday, October 21, 2022, at 12
22 noon.

23 THE COURT: The control date is October 21, 2022, at
24 12 noon, and the government is to inform the Court at such time
25 as it is appropriate to commence the preparation of a

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1 presentence report.

2 I also note that the sealing order that I signed
3 earlier requires the government to make a report in three
4 months as to the need for continuation, if any, of the sealing.

5 Counsel, when it does come time to prepare the
6 presentence report, please make sure to give your comments and
7 any objections to the probation office promptly after
8 disclosure of the initial draft report and please make your
9 sentencing submissions to me in accordance with the sentencing
10 submission procedures of my individual practices, which are
11 available on the Court's website.

12 MR. BROWN: Yes, your Honor.

13 THE COURT: Mr. Becker, the probation office will be
14 preparing a presentence report to assist me in sentencing you.
15 You will be interviewed by the probation office. It is
16 important that the information that you give to the probation
17 officer be truthful and accurate. The report is important in
18 my decision as to what your sentence will be. You and your
19 attorney have a right and will have an opportunity to examine
20 the report, to challenge or comment on it, and to speak on your
21 behalf before sentencing. Failing to be truthful with the
22 probation office and the Court may have an adverse effect on
23 your sentence and may subject you to prosecution.

24 Do you understand that?

25 THE DEFENDANT: Yes, I do.

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1 THE COURT: Thank you.

2 Is there a proposed bail package?

3 MR. PODOLSKY: There is, your Honor.

4 The parties have discussed and would propose that
5 Mr. Becker be released today upon the following conditions:

6 His signing of a \$300,000 personal recognizance bond
7 to be signed within three weeks by one additional financially
8 responsible person; that he will surrender his passport and any
9 travel documents within -- also within the three weeks; and,
10 again, he would be released upon his signature today.

11 THE COURT: And travel restricted to Southern District
12 and Eastern District?

13 MR. PODOLSKY: Thank you, your Honor. If I could just
14 have one moment on that.

15 (Counsel confer)

16 MR. PODOLSKY: Your Honor, if we may have travel
17 restricted to the States of New York, Pennsylvania, and
18 New Jersey.

19 THE COURT: And is the government comfortable with the
20 necessity of that range of travel and that it doesn't increase
21 in any untoward way any risk of flight?

22 MR. PODOLSKY: Your Honor, in light of the --
23 particularly in light of the agreement between the parties,
24 we -- and the conditions that we have proposed, we are
25 comfortable that there would not be a risk of flight with these

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1 conditions.

2 THE COURT: Thank you.

3 And regular supervision?

4 MR. PODOLSKY: Yes, your Honor.

5 THE COURT: And so, again, for the record are you
6 comfortable that these conditions are sufficient to protect
7 against risk of flight and any danger to the community?

8 MR. PODOLSKY: We are, your Honor.

9 THE COURT: Thank you.

10 I approve the conditions as proposed, and I will do a
11 bail disposition sheet in a moment.

12 But, first, before I do that, let me ask Officer
13 Jackson whether she has any concerns or whether there are any
14 other matters, major matters that she believes should be
15 addressed in the disposition sheet.

16 THE PROBATION OFFICER: No. That was all, your Honor.
17 Thank you.

18 THE COURT: Thank you.

19 So give me a moment and I will do the disposition
20 sheet now and tell you all what I have put on it and then you
21 can be sure we are literally on the same page about it.

22 Did Mr. Becker surrender voluntarily?

23 MR. PODOLSKY: He did, your Honor.

24 THE COURT: So I have noted here that it was a
25 voluntary surrender; that there are agreed conditions of

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1 release of \$300,000 PRB with one financially responsible
2 person; travel is restricted to the States of New York,
3 Pennsylvania, and New Jersey; surrender of travel documents and
4 no new applications; regular pretrial supervision; defendant to
5 be released on own signature; remaining conditions to be met by
6 21 days.

7 Does that cover everything?

8 MR. PODOLSKY: I believe so, your Honor.

9 MR. BROWN: Yes, your Honor.

10 THE COURT: Mr. Becker, do you understand the
11 conditions that we have discussed and under which I am granting
12 you release pending trial?

13 THE DEFENDANT: Yes.

14 THE COURT: I mean pending sentencing.

15 THE DEFENDANT: Yes.

16 THE COURT: And do you understand that the
17 consequences of violating any of these conditions can be
18 serious and that the consequences of violating them can be
19 severe?

20 THE DEFENDANT: Yes.

21 THE COURT: Counsel, is there anything further that we
22 need to take up together this afternoon?

23 MR. PODOLSKY: Not for the government, your Honor.

24 MR. BROWN: No, your Honor. Thank you.

25 THE COURT: All right. Thank you, all. Stay safe and

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1 be well.

2 And again, this is a sealed transcript.

3 We are adjourned.

4 MR. BROWN: Thank you, your Honor.

5 MR. PODOLSKY: Thank you, your Honor.

6 oOo